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Via Electronic Filing

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW, Room TWB-204 Washington, DC 20554

> Re: <u>Application by Verizon-New Jersey Inc. for Authorization to Provide In-</u> Region, InterLATA Services in the State of New Jersey, Docket 02-67

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Docket 01-338

<u>Implementation of the Local Competition Provisions of the Telecommunications Act of the 1996, Docket 96-98</u>

<u>Deployment of Wireline Services Offering Advanced Telecommunications</u> <u>Capability, Docket 98-147</u>

<u>OWEST Petition for Declaratory Ruling on the Scope of the Duty to File</u> <u>and Obtain Prior Approval of Negotiated Contractual Arrangements</u> <u>under Section 252(a)(1), Docket No. 02-89</u>

Dear Ms. Dortch:

On Tuesday, May 14, 2002, Robert Quinn, Frederick Pappalardo and the undersigned, all of AT&T, met with Dorothy Attwood, Jeffrey Carlisle, Alexis Johns, Brent Olson, Deena Shetler and Joshua Swift of the Wireline Competition Bureau. During this meeting AT&T reiterated its arguments that Verizon's recurring and non-recurring rates in New Jersey fail to satisfy checklist item two. Specifically, AT&T demonstrated that Verizon's switching and daily usage file rates and non-recurring charges for hot cuts and vertical feature changes are not cost-based and are inflated by clear TELRIC errors. The issues raised were consistent with AT&T's written submissions filed in Docket 02-67.

As part of this discussion, we also referred to AT&T's comments filed in the above-referenced Triennial Review dockets which highlight the need to establish some form of electronic loop provisioning in order to accelerate the development of facilities-based local competition. We explained that the technology to support electronic provisioning is technically feasible and available today and that electronic provisioning could eliminate some of the enormous financial and technical obstacles to facilities-based competition that currently exist.

In addition, we also stated that the Commission should investigate the issues raised in Qwest's Petition for Declaratory Ruling on the Scope of the Duty to File and Obtain Prior Approval of Negotiated Contractual Arrangements under Section 252(a)(1) to determine whether Qwest engaged in conduct prohibited by the Telecommunications Act.

One electronic copy of this Notice is being submitted to the Secretary of the FCC in accordance with Section 1.1206 of the Commission's rules.

Sincerely, amyfalvarez

cc:

Alexis Johns Susan Pie Ann Berkowitz